



## PROACTIVE RELEASE COVERSHEET

<b>Minister</b>	Hon Andrew Hoggard	<b>Portfolio</b>	Associate Minister for the Environment
<b>Name of package</b>	Implementing New Zealand's approach to grow voluntary markets	<b>Date to be published</b>	18 June 2026

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
18 June 2026	<a href="#">Cabinet paper: Implementing New Zealand's approach to grow voluntary markets [26-CAB-00456]</a>	Ministry for the Environment
29 April 2026	<a href="#">Cabinet Economic Policy Committee Minute of Decision for Implementing New Zealand's approach to grow voluntary markets [ECO-26-MIN-0070]</a>	Cabinet Economic Policy Committee
4 May 2026	<a href="#">Cabinet Minute of Decision [CAB-26-MIN-0155]</a>	Cabinet Office

### Information redacted **YES**

Any information redacted in this document is redacted in accordance with the Ministry for the Environment's policy on proactive release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

### Summary of reasons for redaction

Some information has been withheld from Cabinet paper: Supporting Growth of Voluntary Nature Market Activity [26-CAB-00456] under Sections:

- 9(2)(b)(ii) of the Official Information Act to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest.
- 9(2)(f)(iv) of the Official Information Act to maintain the constitutional convention which protects the confidentiality of advice tendered by Ministers and officials.
- 9(2)(g)(i) of the Official Information Act to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty.

Some information has been withheld from the Cabinet Economic Policy Committee Minute of Decision [CAB-26-MIN-0070] under section 9(2)(f)(iv) of the Official Information Act to protect the confidentiality of advice tendered by Ministers of the Crown and officials.

Some information has been withheld from the Cabinet Minute of Decision [CAB-26-MIN-0155] as it is out of scope.



**IN-CONFIDENCE**

Office of the Associate Minister for the Environment

ECO - Cabinet Economic Policy Committee

**Implementing New Zealand's approach to grow voluntary markets****Proposal**

- 1 This paper sets out the Government's approach to supporting growth of voluntary markets for nature and carbon activity in New Zealand and seeks final policy decisions for implementing that approach.

**Relation to government priorities**

- 2 The proposal supports several Government priorities:
  - 2.1 Going for growth - promoting investment into the New Zealand economy
  - 2.2 the Second Emissions Reduction Plan (2026-2030)
  - 2.3 New Zealand's Biodiversity Strategy Implementation Plan 2026–2030
  - 2.4 Resource Management Reform: improving resource use and nature outcomes.

**Executive Summary**

- 3 In June 2025, Cabinet agreed in principle to key elements of the Government's role in supporting the growth of voluntary nature market activity in New Zealand, and invited me, in consultation with the Ministers of Climate Change and Conservation, to return to Cabinet with an implementation plan (refer CAB-25-MIN-0187).
- 4 Voluntary markets exist in New Zealand but, without government involvement, segments of landowners and communities will continue to be locked out of investment for climate and nature activity, and unvalidated schemes will continue to pose a reputational risk.
- 5 The proposals in this paper would help to re-channel private investment currently going to offshore voluntary markets, by addressing barriers to market growth in New Zealand:
  - 5.1 high costs of market entry – by encouraging scheme development fit for New Zealand through clearer standards and assurance of market integrity
  - 5.2 uncertainties about the quality of New Zealand voluntary market schemes – by establishing clearer signals of scheme quality
  - 5.3 lack of large-scale projects for international investors – with clear recognition of quality international schemes, and by making Crown land available.
- 6 I propose an implementation package to build trust and confidence in New Zealand's voluntary markets to catalyse more nature and climate activity, through:
  - 6.1 establishing a government assurance role for voluntary market schemes operating in New Zealand to provide clearer signalling of quality to the market

- 6.2 allowing Crown land to be used for projects generating voluntary credits to unlock otherwise unfunded climate and nature activity and outcomes at scale.
- 7 The proposed assurance role would involve the government recognising and endorsing high-integrity schemes through one of the following pathways:
- 7.1 accreditation by an international body recognised by the government, or
- 7.2 a scheme could opt to be assessed for its conformity with New Zealand voluntary market principles, and a scientific assessment of its methodologies.
- 8 I recommend a non-regulatory, light-handed approach to support innovation, keep voluntary markets market-led, and manage New Zealand’s environmental credentials. The proposals, while not constituting a guarantee, provide the infrastructure to build clarity, trust, and confidence through clear principles, standards, and transparency.
- 9 Recognition of internationally accredited schemes would begin immediately, with the domestic endorsement process established over the following months. The overall costs are modest 9(2)(f)(iv)

## Background

- 10 New Zealand faces growing pressures from climate change and biodiversity loss, with financing nature stewardship—particularly on private land—a key challenge. Voluntary carbon and nature markets offer a credible way to channel more private investment into activities that deliver measurable environmental benefits.
- 11 In these markets, credits represent verified environmental activities and outcomes from projects and are purchased by organisations to support credible environmental claims and respond to market expectations. Credits are issued under robust methodologies and tracked through registries, providing transparency and enabling landowners to generate income from environmental activities.
- 12 Globally, these markets are maturing, with the voluntary carbon market projected to reach US\$5–\$20bn and the nature market around US\$2bn by 2030<sup>1</sup>, and there is growing buyer preference for credits that deliver both carbon and nature benefits.<sup>2</sup>
- 13 New Zealand should be well placed to compete, given its natural capital and attractive business environment, but is currently not capturing demand. This includes:
- 13.1 unmet domestic demand of around 108,000 tCO<sub>2</sub>e annually<sup>3</sup> going offshore
- 13.2 demand for nature-focused credits to build community support for infrastructure
- 13.3 a larger international market led by technology firms and high-net-worth buyers.
- 14 This potential remains underdeveloped because pathways for project supply—particularly smaller, innovative, farm-scale projects—are unclear and international schemes can be too costly. New Zealand also lacks sufficient assurance to give buyers and landowners confidence, and buyers seeking large volumes of high-quality, carbon-plus-nature credits are unable to find the scale they require domestically.

<sup>1</sup> BNZ, Deloitte and The Nature Conservancy (March 2026). Connecting nature, climate, and capital.

<sup>2</sup> Allied Offsets (2026). Voluntary Carbon Market 2025 Review: Emerging Trends for 2026.

<sup>3</sup> Toitu Envirocare (2025). Impact report: July 2024 - June 2025.

- 15 In June 2025, to improve trust and grow market activity, Cabinet (CAB-25-Min-0187):
- 15.1 agreed in principle to a non-regulatory government role to help grow voluntary market confidence and activity for public engagement
  - 15.2 directed that a more detailed design of the government's role be piloted, with a more thorough implementation proposal to be jointly reported back to Cabinet.

*The proposal has been refined and is widely supported by market stakeholders*

- 16 The Ministry for the Environment has worked with several market pilot partners (see Appendix 3) and undertaken wider engagement with market stakeholders that:
- 16.1 demonstrated that different New Zealand nature and carbon credit models are credible and active at both a smaller scale (Ekos) and a larger scale for international markets (Trees that Count, Silver Fern Farms)
  - 16.2 highlighted that more market formalisation is required for market confidence and development, and government is uniquely positioned to provide this.
- 17 While some forestry organisations do not support the proposal, most other stakeholders who were engaged did support the proposal subject to it being implemented with integrity. There was support for improving market accessibility for farmers and Māori landowners to encourage more nature and climate positive activity.

### **Proposed implementation of a government role to support market growth**

- 18 I propose to implement a non-regulatory government role, in keeping with Cabinet's in-principle agreement, but refined to be more efficient, leverage recent policy developments, and build on pilot and stakeholder feedback. The proposed approach positions New Zealand within international mainstream practice, at the low-intervention end of the spectrum (comparable to Canada and Japan)<sup>4</sup>.
- 19 Appendix 1 describes the intersection of government and private market functions, and how government policy initiatives come together to support the market.

*Supporting assurance: implementing an endorsement process*

- 20 I propose an opt-in New Zealand government endorsement process for voluntary market schemes operating in New Zealand, to support greater market assurance and buyer and landowner confidence and participation.
- 21 Endorsement could be achieved via one of two tracks, each with equivalent integrity:
- 21.1 The government would recognise accreditation of schemes by well-regarded international bodies that meet criteria of having sound governance, review mechanisms, transparency, and trade alignment.
  - 21.2 The Ministry for Cities, Environment, Regions and Transport (MCERT) would administer a domestic endorsement process, requiring schemes to:

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<sup>4</sup> International Advisory Panel on Biodiversity Credits (2025). Learnings from Government-Led Approaches to Nature Credit Markets.

- 21.2.1 demonstrate conformity with New Zealand voluntary market principles ('the principles', set out in Appendix 3) via an assessment by a qualified assurance practitioner (scheme-funded)
  - 21.2.2 undergo a scientific assessment of the robustness of their methodologies, drawing on the Assessment Framework for Carbon Removals process, adapted as required for biodiversity and other methodologies (funded by government).
- 22 In consultation with Ministers of Conservation, and Climate Change (joint Ministers), I have identified three international bodies for recognition, and these can be announced immediately once decisions are made.<sup>5</sup>
- 23 I propose that the joint Ministers be delegated authority to:
- 23.1 add other suitable international bodies in the future
  - 23.2 establish an appropriate process for addressing domestically endorsed scheme integrity issues (eg, suspension or removal of endorsement).
- 24 Government endorsement has been a focal point of stakeholder engagement. The proposal will signal quality, but non-recognised or endorsed schemes could continue to operate, and market participants would need to do their own due diligence. I considered alternatives, including relying solely on the updated Voluntary Carbon Market Guidance or just adopting a domestic endorsement pathway, but concluded these options would not deliver a step-change in market confidence and investment.

*Supporting high integrity standard-setting, with flexibility for innovation*

- 25 I propose that joint Ministers be delegated authority to approve assessment criteria for domestic scheme endorsement based on the voluntary market principles.<sup>6</sup>
- 26 More detailed assessment criteria are needed to ensure schemes are assessed consistently by independent assurance practitioners. Officials will test criteria with assurance bodies and stakeholders to ensure they are practical, suitable for the New Zealand context, and internationally aligned to support a credible domestic market.
- 27 Domestic endorsement of methodologies would build upon the government's recently published Assessment Framework for Carbon Removals, which sets out the process and criteria for assessing the scientific robustness of removal activities. This would be extended to assess non-carbon methodologies for the voluntary market (via a broader panel of external science assessors).
- 28 Work is underway to develop methodologies suited to New Zealand, 9(2)(b)(ii)

<sup>5</sup> Integrity Council for the Voluntary Carbon Market (ICVCM), Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), and Paris Agreement Crediting Mechanism (PACM). Schemes accredited by these bodies are mainly carbon-oriented but many price-in recognition of biodiversity, and are usually used in New Zealand for this reason.

<sup>6</sup> The principles also form the basis of updated Voluntary Carbon Markets Guidance, recently approved by the Minister for Climate Change.

*Transparency measures*

- 29 Both recognised and endorsed schemes will need to demonstrate transparency.
- 30 I additionally propose that recognised or endorsed schemes commit to provide New Zealand project data as required by the responsible agency. This will support transparency, market integrity monitoring and inform policy settings. Safeguards will be put in place in line with agency information management obligations and to protect sensitive commercial, cultural or threatened species location information.
- 31 As the market scales up, a more robust data registry may be required.

**Providing for voluntary market projects on Crown land**

- 32 I propose that Crown land be made available for voluntary market projects.
- 33 While the voluntary market is mainly geared toward private land, it could also help to channel private investment and activity to conservation and climate outcomes on public land that would not receive public funding. Voluntary market principles require benefits to be additional, and so voluntary market projects will not be a mechanism to swap Crown funding for private funding to meet agency obligations.
- 34 Providing a clear pathway for using the voluntary market on Crown land will be critical for 9(2)(f)(iv) and to unlock other opportunities, including catchment-scale projects combining private and Crown land (eg, peatlands).<sup>7</sup>
- 35 While some concerns have been expressed that Crown land projects could crowd out demand for private land projects, larger-scale Crown land projects would likely orient to the higher-price-return, larger international market, where this would not be an issue.
- 36 Approval of individual projects would sit with the relevant Minister or agency, subject to standard investment disciplines (such as a business case) and any required statutory or administrative approvals (eg, DOC concessions, Treaty settlements).
- 37 To manage project and government reputation risks I propose that projects would use government-recognised or endorsed schemes as the default approach, while retaining flexibility to consider other approaches with appropriate risk management (eg, the project or methodologies are innovative). Agencies will also consider market dynamics in their strategies for enabling voluntary market activities on Crown land, to manage risks and report back to joint Ministers in 2028.
- 38 These parameters would apply to public conservation land, and other land administered by the core public service, but not commercially managed land owned or administered by state-owned enterprises or Crown-owned companies. The parameters would also apply to freshwater or marine projects in which the government has specific permission rights (eg, marine reserves).

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<sup>7</sup> Whereas the New Zealand Emissions Trading Scheme (NZ ETS) only values carbon sequestration, the voluntary market has flexibility to value additional attributes, such as biodiversity, and provide a more commercially viable mechanism than the NZ ETS for native afforestation in New Zealand.

## The proposals will help grow private investment in New Zealand's environment

- 39 Under the status quo, voluntary market activity in New Zealand would continue, but barriers would persist. New Zealand would likely continue to lose domestic investment offshore, and attract a small share of international investment. High entry costs would continue to exclude smaller projects and landowners, skew incentives to forestry, and reputational risk about of the credibility of New Zealand schemes would remain.
- 40 The proposals are intended to stimulate more private investment in the environment by improving supply and demand side trust and confidence, and scale. Government endorsement of high integrity schemes would reduce due diligence costs and increase purchaser confidence in environmental claims. Partnerships on Crown land and modest government promotion would support market activation by providing a clearer 'open for business' signal and supply at the scale sought by large corporates.
- 41 The proposals would broaden opportunities for landowners and community to be rewarded for a wider range of climate- and nature-positive activities, supporting local employment and opportunities for Māori landowners through indigenous-led schemes.
- 42 While some projects will continue to face barriers, such as seed capital and capability, the proposals will support improved market access over time by providing a more enabling environment for innovation, competition, and diversification of schemes at different price points.

## Implementation

- 43 The proposed recognition of specific international accreditation bodies can go live upon announcement.
- 44 The domestic endorsement process has an implementation lead time of up to six months for detailed criteria to be developed under the principles; testing with independent bodies that will assure conformity; and development of appropriate legal disclaimers and indemnity processes. Once active, the process would provide a more-fit-for-New-Zealand and faster pathway to endorsement than international bodies.
- 45 I intend that MCERT will be the lead agency for policy development and coordination of government implementation after the merger takes place on 1 July 2026.
- 46 Officials have considered impacts on market participants and will monitor market effects and integrity risks. I propose to direct officials to report back to joint Ministers in late 2028 on market dynamics, with any recommendations for the government role.

### *Management of implementation and stakeholder risks*

- 47 Some agricultural groups noted the voluntary market could compete with commodity supply chain environmental commitments, but acknowledged that the proposed government role would improve market clarity and avoid inadvertent 'double counting'.
- 48 Some forestry organisations questioned the rationale for market intervention, and expressed concern that the proposal to reduce barriers to entry for New Zealand schemes could undermine market integrity. This risk is mitigated given that the assurance approach is based on internationally comparable integrity principles.
- 49 While these proposals do have implications for some sectors, many of the perceived impacts arise from the dynamics of voluntary markets that already exist, and are for

sectors to work through. Clarity of the government’s position will aid those commercial decisions. Key implementation risks and mitigations are outlined in the table below.

*Table 1: Risks and mitigations*

Risk	Mitigation
1. The proposal will not guarantee recognised or endorsed schemes will not fail.	It will reduce risk but not negate the need for due diligence, which will need clear communication.
9(2)(f)(iv)	
3. Opposition from some stakeholders that the proposal will undermine the market’s integrity, and high barriers to entry are necessary to ensure high integrity.	Partly mitigated by communicating the policy intent to widen market participation and activity, and by ensuring the domestic endorsement is of equivalent integrity as international standards.
4. Some stakeholders expressed concern that Crown land in the voluntary market could crowd out private land projects.	This is not a material risk providing Crown land projects orient to the larger international market, but officials will monitor market dynamics and adjust policy as needed.
5. Taking a non-regulatory approach to voluntary markets in New Zealand means that unendorsed credit schemes of varying quality will continue to operate.	The proposal will improve market signalling of scheme quality and help to limit poor quality schemes and projects. Fair trading law also provides a regulatory backstop for misleading products and claims.

9(2)(g)(i)

*There is scope for the government role to evolve over time*

53 The proposal is at the low-intervention end of the spectrum but could be developed over time to catalyse greater activity:

9(2)(f)(iv)

9(2)(f)(iv)

### **Cost-of-living Implications**

54 There are no cost-of-living implications arising from this paper.

### **Financial Implications**

55 Minimising costs has been a key consideration in designing the proposal. Cost recovery was considered but there is no available cost recovery mechanism to do so.

56 The costs are expected to be relatively small, but will be largely demand driven, and difficult to forecast. Based on several assumptions, the cost estimate is 9(2)(f)(iv)

57 Allowing voluntary market activity on Crown land may increase demand on agency processes (eg, DOC concessions) but will be managed within baselines.

### **Legislative Implications**

58 The proposed approach is non-regulatory.

### **Impact Analysis**

#### *Regulatory Impact Statement*

59 The impact analysis requirements do not apply to the recommendations in this paper.

#### *Climate Implications of Policy Assessment (CIPA)*

60 The CIPA team has assessed that the CIPA requirements apply to this proposal, given one of its aims is to decrease greenhouse gas emissions, and that it responds to an Emissions Reduction Plan Two action: to investigate a biodiversity credits market to catalyse private financing for nature. The potential emissions impact of the proposal cannot be quantified at this stage due to a wide range of possible emissions reduction outcomes relating to uncertain scheme uptake and project characteristics.

### **Population Implications**

61 The proposal does not prioritise or advantage any population group over another. As projects are more likely to occur on rural land, rural communities, owners of settlement land, and whenua Māori willing to be involved may benefit more than other populations.

## Human Rights

- 62 The proposals have positive human rights implications. Government endorsement would be limited to schemes that conform to the principles, including respecting rights of local communities and Māori, and international schemes with equivalent principles.

## Use of External Resources

- 63 The following external resources have been used for this project:
- 63.1 MartinJenkins for independently facilitating policy feedback from the pilots
  - 63.2 a voluntary market specialist contract of 0.8 FTE, July to end September 2025
  - 63.3 Queen Elizabeth II Trust for good practice for securing durable outcomes.

## Consultation

- 64 The following agencies were consulted: Ministry for Primary Industries, Department of Conservation, Te Puni Kōkiri, Treasury, Ministry of Foreign Affairs and Trade, Land Information New Zealand, Te Arawhiti, Ministry for Regulation, New Zealand Infrastructure Commission, and Climate Change Commission. The paper was provided to the Department of the Prime Minister and Cabinet for information.
- 65 There has been significant engagement on the policy direction since June 2025, via engagement with several pilot partnerships (see Appendix 2), targeted engagement in early 2026 and wider engagement (eg, international market stakeholders).

## Communications

- 66 I intend to take a phased, coordinated announcement approach with the Ministers of Climate Change and Conservation on the proposals in this paper, along with other Government initiatives that will support the voluntary market to grow (eg, updated Voluntary Carbon Market Guidance and implementation of the Removals Framework).

## Proactive Release

- 67 I intend to proactively release this Cabinet paper in whole within 30 business days of decisions being confirmed by Cabinet, subject to the timing of announcements.

## Recommendations

The Associate Minister for the Environment recommends the Economic Policy Committee:

- 1 **Note** voluntary carbon and nature markets are an untapped opportunity for New Zealand landowners, communities, and businesses to achieve better climate and nature outcomes, with economic benefits, particularly from smaller project segments
- 2 **Note** in June 2025 Cabinet (refer CAB-25-MIN-0187):
  - 2.1 agreed to test a proposed government role to support voluntary nature and carbon market growth (comprising assurance, standard setting, promoting transparency, and direction setting) via several private sector-led pilot projects

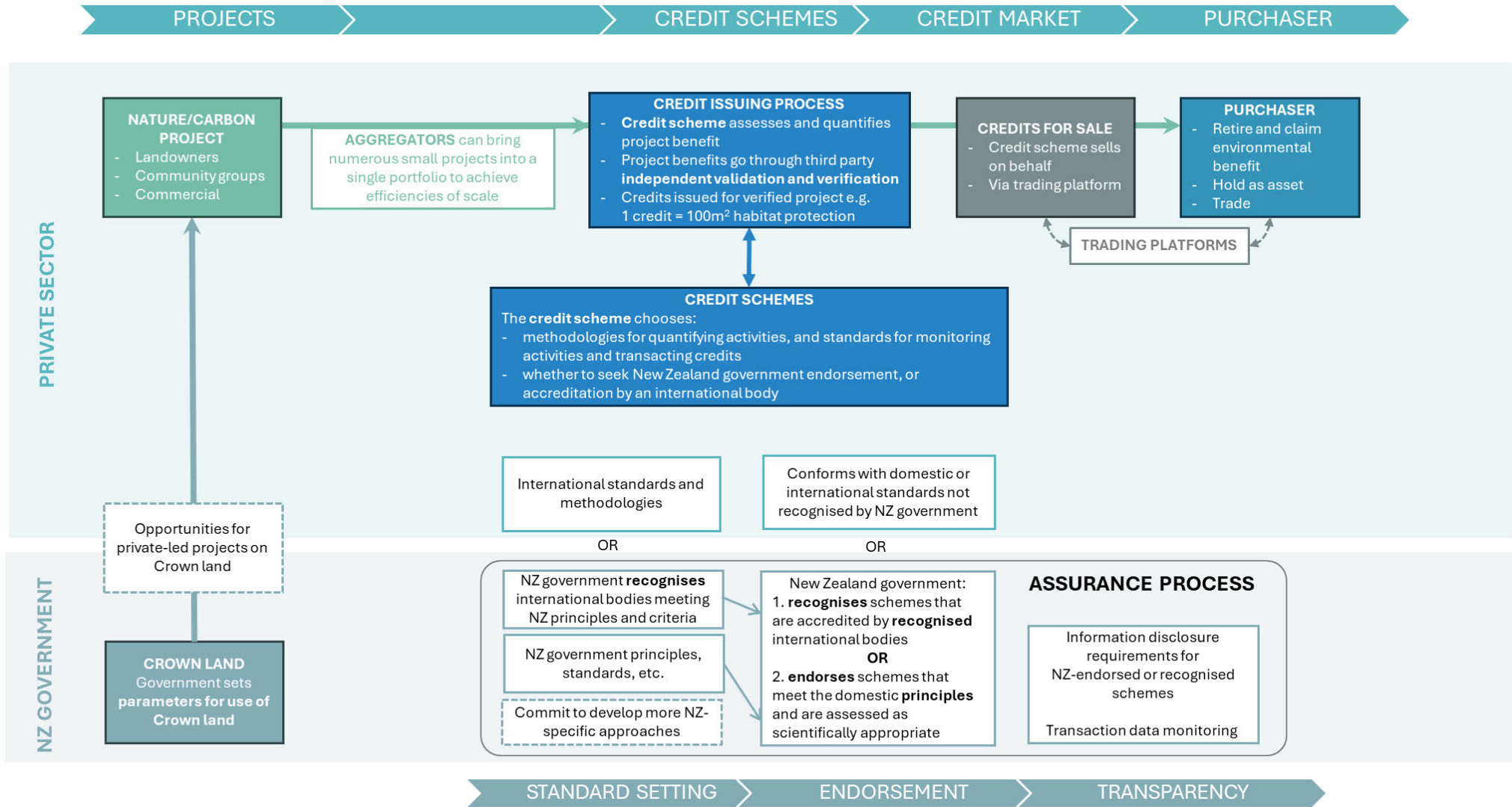
- 2.2 invited the Associate Minister for the Environment, Minister of Conservation, and Minister of Climate Change to report back on implementation of the proposed role in March 2026
- 3 **Note** the Ministry for the Environment established several pilot partnerships, which demonstrated the viability of nature and carbon projects at different scales in New Zealand and informed refinement of the proposal to be efficient and market aligned
- 4 **Agree** to establish a non-regulatory government assurance role for voluntary market schemes operating in New Zealand, under which the Government would:
- 4.1 recognise schemes accredited by international bodies recognised by the government or
- 4.2 endorse local schemes that opt for, and receive:
- 4.2.1 independent assessment by a qualified assurance practitioner that a scheme conforms with New Zealand government market principles
- 4.2.2 scientific assessment of a scheme's methodologies for robustness, drawing on the Assessment Framework for Carbon Removals' process (adapted for biodiversity and other methodologies)
- 5 **Agree** to delegate joint authority to the Associate Minister for the Environment, Minister of Conservation, and Minister of Climate Change to:
- 5.1 recognise high-integrity international bodies for recommendation 4.1 with sound governance, review mechanisms, transparency, and trade alignment
- 5.2 release detailed scheme criteria based on the voluntary market principles, to provide a reference point for domestic endorsement in recommendation 4.2.1
- 5.3 establish an appropriate process to address endorsed scheme integrity issues
- 6 **Agree** that, as a condition of recognition or endorsement, schemes must provide New Zealand project data to the agency responsible for the endorsement process as required by the responsible agency (subject to appropriate safeguards)
- 7 **Agree** that voluntary market projects may be undertaken on Crown land subject to usual permissions processes, and administering agencies requiring the use of government recognised or endorsed schemes as the default approach, while retaining flexibility to consider other approaches with appropriate risk management
- 8 **Note** that the parameters in recommendation 7 do not apply to land owned or administered by state-owned enterprises or Crown-owned companies
- 9 **Direct** the agency responsible for the endorsement process to report to joint Ministers in late 2028 on the market's development, and effectiveness of the government role
- 10 **Note** implementation costs are modest 9(2)(f)(iv)

Authorised for lodgement

Hon Andrew Hoggard  
Associate Minister for the Environment

Classification

Appendix 1 – The proposed government role in the context of the voluntary market



## Appendix 2 – Insights from pilots

### *Background*

Between June 2025 and March 2026, MfE partnered with ten projects (referred to as pilots) in the process of developing voluntary nature and carbon market schemes and projects to inform the development of government policies to support New Zealand's markets to scale up:

- Ekos – an existing biodiversity credits scheme
- Sanctuary Mountain Maungatautari – a project using the Ekos 'Biocredita' scheme
- Reconnecting Northland – a project with Te Roroa iwi on Māori land, using the Ekos scheme
- Aratu Forests – a transition forestry project, using the Ekos scheme
- Whakamana te Waituna Charitable Trust – a coastal wetland catchment project exploring scheme options
- Trees that Count – a native revegetation project using an international carbon scheme
- Silver Fern Farms – a supply chain aggregation inset scheme
- Pāmu – a supply chain aggregation inset scheme 9(2)(b)(ii)
- Boffa Miskell – an adapted biodiversity credits scheme (in development)
- AsureQuality – a New Zealand voluntary carbon scheme for native plantings (in development).

The Ministry for the Environment (MfE) commissioned MartinJenkins to undertake policy deep dives with the pilots between August and December 2025 through two 'Learning Sets'.

### *What we learnt*

Participants did not hold a single view across all of the topics discussed – reflecting the diverse contexts, roles, and motivations within the emerging voluntary market. Key insights drawn from the pilots included:

- a preference for a light-touch, principles-based approach, including some form of publicly available list of recognised and endorsed schemes
- market transparency is critical to integrity
- clear support for international alignment, and a fast-track pathway for standards already verified by reputable international bodies
- careful implementation of government endorsement is required to avoid poor quality endorsed standards and practice undermining the value provided through government endorsement
- any revocation of endorsement of standards should be carefully managed to avoid penalizing projects using those standards
- New Zealand voluntary market principles should offer unambiguous guidance to market stakeholders
- some participants questioned whether New Zealand needed its own integrity principles, suggesting that existing international principles would suffice — particularly as certain projects will align with global standards to attract international buyers

- demand is a critical issue and pilots see an important role for Government in enabling this, such as through a clear offset policy through the resource management system.

#### *What's next*

The pilot partnerships were concluded in March 2026, while the underlying projects and schemes are largely ongoing, as follows:

- **Sanctuary Mountain Maungatautari** has partnered with **Ekos** in selling biodiversity credits since June 2025 nationally and internationally, with 95% of sales created by bundling carbon and biodiversity. Interest is building, 9(2)(b)(ii)
- **Ekos** is also working with multiple projects via its Biocredita 'Accelerator programme', which aims to support technical development of biodiversity credit projects. These include **Waituna Lagoon**, **Aratu Forests** and **Reconnecting Northland** projects, and others (including overseas projects) with the aim of issuing credits in 2026
- **Trees that Count** have launched *True Nature*, a partnership approach working with landowners and communities 9(2)(b)(ii). The initiative involves designing projects that meet international Core Carbon Principles and deliver independently verified climate, community and biodiversity outcomes
- **Silver Fern Farms** has completed an initial multi-million-dollar capital raise for its nature positive on-farm scheme and is currently capital raising for the next stage of the project (including from MPI's Sustainable Food and Fibre Futures Fund)
- **Pāmu Farms** has completed feasibility studies of domestic and international credits opportunities and is looking to launch a domestic carbon and nature scheme soon
- **Boffa Miskell** is partnering with international nature fintech, CreditNature, to adapt an internationally accredited Nature Credit Framework for New Zealand, and is working with Manaaki Kaimai Mamaku Trust, to deliver an 'offtake agreement' (pre-sale) of nature credits with 9(2)(b)(ii) corporate investors
- **AsureQuality** is not proceeding with its scheme development to generate carbon credits from native plantings based on it not being commercially viable.

### Appendix 3 – New Zealand Voluntary Market Integrity Principles

The table below outlines the voluntary market integrity principles, as agreed by the Associate Minister for the Environment, and Ministers of Climate Change and Conservation.

Principle	Revised description
<b>Additional</b>	<p>Credits (including other comparable instruments) deliver positive environmental outcomes that are due to a specific activity and would not have occurred in the absence of the credit. For example, the activity is not required by regulation, or other policy measures.</p> <p>In some circumstances credits could apply to maintenance activity (eg, pest control and weed management of an existing ecosystem, where that activity will prevent biodiversity loss).</p>
<b>Durable and permanent</b>	<p>Activities recognised through credits contribute to long-lasting or permanent outcomes. Voluntary activity demonstrates permanence and states how it will be managed if, for unforeseen circumstances, the voluntary activity is reversed. This will differ depending on the activity being claimed.</p>
<b>Real, measurable, and verifiable outcomes and risk mitigation</b>	<p>Credits, and the projects they represent, deliver the tangible outcomes described and have interventions and outcomes that are appropriate for the project area.</p> <p>Credits are supported by evidence from credible and robust monitoring and reporting, and should be verified by a suitably qualified independent third-party to a reputable, and publicly disclosed standard. Requirements for evidential rigour in monitoring, reporting and verification are balanced with considerations of practicality, cost-effectiveness and proportionality.</p> <p>The risk of any negative impacts, unintended consequences and spillover effects (including leakage) is managed.</p>
<b>Transparent</b>	<p>There is transparency over how all integrity principles are being met.</p> <p>All stakeholders including credit buyers, project developers, iwi, communities and third-party verifiers can see and understand how credits are created, verified, traded and retired and what claims are being made.</p> <p>While meeting this principle, standards will ensure that the public disclosure of information includes safeguards around sensitive information (including, but not limited to, locations of threatened species or culturally sensitive information).</p>
<b>Respectful of rights</b>	<p>Safeguards are in place to ensure the rights and interests of all people (including Māori and local communities) are respected and upheld, in alignment with recognised international practice.</p>
<b>Not double counted and support accurate claims</b>	<p>Organisations using credits to make claims should:</p> <ol style="list-style-type: none"> <li>use accurate wording when stating the environmental outcomes of their credit</li> <li>ensure the positive environmental outcomes represented by a credit are only used once for a claim.</li> </ol> <p>Projects should avoid double issuance and double use of credits and, in cases where multiple credits are generated from the same project, they will have clear demarcation.</p>



# Cabinet Economic Policy Committee

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Implementing New Zealand's Approach to Grow Voluntary Markets

**Portfolio**                      **Associate Environment**

On 29 April 2026, the Cabinet Economic Policy Committee (ECO):

- 1        **noted** that voluntary carbon and nature markets are an untapped opportunity for New Zealand landowners, communities, and businesses to achieve better climate and nature outcomes, with economic benefits, particularly from smaller project segments;
- 2        **noted** that in June 2025, ECO:
  - 2.1      agreed to test a proposed government role to support voluntary nature and carbon market growth (comprising assurance, standard setting, promoting transparency, and direction setting) via several private sector-led pilot projects;
  - 2.2      noted that the Associate Minister for the Environment would report back on implementation of the proposed role by March 2026;

[ECO-25-MIN-0090]
- 3        **noted** that the Ministry for the Environment established several pilot partnerships, which demonstrated the viability of nature and carbon projects at different scales in New Zealand and informed refinement of the proposal to be efficient and market aligned;
- 4        **agreed** to establish a non-regulatory government assurance role for voluntary market schemes operating in New Zealand, under which the Government would:
  - 4.1      recognise schemes accredited by international bodies recognised by the Government, or;
  - 4.2      endorse local schemes that opt for, and receive:
    - 4.2.1    independent assessment by a qualified assurance practitioner that a scheme conforms with New Zealand Government market principles;
    - 4.2.2    scientific assessment of a scheme's methodologies for robustness, drawing on the Assessment Framework for Carbon Removals' process (adapted for biodiversity and other methodologies);

- 5 **authorised** the Associate Minister for the Environment, Minister of Conservation, and Minister of Climate Change (joint Ministers) to:
- 5.1 recognise high-integrity international bodies for paragraph 4.1 above with sound governance, review mechanisms, transparency, and trade alignment;
  - 5.2 release detailed scheme criteria based on the voluntary market principles, to provide a reference point for domestic endorsement in paragraph 4.2.1 above;
  - 5.3 establish an appropriate process to address endorsed scheme integrity issues;
- 6 **agreed** that, as a condition of recognition or endorsement, schemes must provide New Zealand project data to the agency responsible for the endorsement process as required by the responsible agency (subject to appropriate safeguards);
- 7 **agreed** that voluntary market projects may be undertaken on Crown land subject to usual permissions processes, and administering agencies requiring the use of government recognised or endorsed schemes as the default approach, while retaining flexibility to consider other approaches with appropriate risk management;
- 8 **noted** that the parameters in paragraph 7 above do not apply to land owned or administered by state-owned enterprises or Crown-owned companies;
- 9 **directed** the agency responsible for the endorsement process to report to joint Ministers in late 2028 on the market's development, and effectiveness of the government role;
- 10 **noted** that implementation costs are modest 9(2)(f)(iv)

Rachel Clarke  
Committee Secretary

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**Present:**

Hon David Seymour  
Rt Hon Winston Peters  
Hon Nicola Willis (Chair)  
Hon Brooke van Velden  
Hon Shane Jones  
Hon Erica Stanford  
Hon Paul Goldsmith  
Hon Louise Upston  
Hon Simon Watts  
Hon Chris Penk  
Hon Penny Simmonds  
Hon Andrew Hoggard  
Hon Nicola Grigg  
Hon James Meager  
Hon Scott Simpson  
Hon Cameron Brewer  
Simon Court MP

**Officials present from:**

Office of the Prime Minister  
Office of Hon Chris Penk  
Office of Hon Cameron Brewer  
Officials Committee for ECO



# Cabinet

## Minute of Decision

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*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

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### **Report of the Cabinet Economic Policy Committee: Period Ended 1 May 2026**

On 4 May 2026, Cabinet made the following decisions on the work of the Cabinet Economic Policy Committee for the period ended 1 May 2026:

Out of scope



Out of scope

ECO-26-MIN-0070    **Implementing New Zealand’s Approach to Grow  
Voluntary Markets**    CONFIRMED  
Portfolio: Associate Environment

Rachel Hayward  
Secretary of the Cabinet